

806 KAR 10:060. Cancellation of financial responsibility.

RELATES TO: KRS 304.1-040, 304.2-110, 304.10-030, 304.10-040, 304.10-140

STATUTORY AUTHORITY: KRS 304.2-110, 304.10-210

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-110(1) authorizes the commissioner of insurance to promulgate administrative regulations necessary for or as an aid to the effectuation of any provision of the Kentucky Insurance Code as defined in KRS 304.1-010. KRS 304.10-210 requires the commissioner to make reasonable rules and regulations consistent with KRS 304, Subtitle 10, for the effectuation of the surplus lines law. This administrative regulation establishes a time limit for insurers, corporate sureties, or other entities to notify surplus lines brokers of the cancellation of that financial responsibility.

Section 1. Definitions. (1) "Broker" is defined in KRS 304.10-030(3).

(2) "Insurer" is defined in KRS 304.1-040.

Section 2. Cancellation of Financial Responsibility. An insurer, corporate surety, or other entity providing an errors and omissions insurance policy or a bond, as described in KRS 304.10-140(1), shall not terminate the insurance policy or bond unless it has given the broker at least thirty (30) days prior written notice of the termination. (39 Ky.R. 683; 981; eff. 12-7-2012.)